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Measuring Economic Well-Being of Rural Canadians Using Income Indicators

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Note of appreciation

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Measuring Economic Well-Being of Rural Canadians Using Income Indicators

Carlo Rupnik, Margaret Thompson-James and Ray D. Bollman

Introduction

By broadening a region's economy, the increase in population and the improved access to markets can lead to improved economic prosperity for several reasons, including increasing consumer demand, economies of scale, economic flexibility, labour force productivity, savings, entrepreneurship, and opportunities for creating new knowledge and technology. These factors can significantly impact a region's economic well-being.

Lower populations and less accessibility to markets in rural areas may impose challenges to their economic prosperity. Improving the well-being of rural Canadians is one of the stated objectives of federal rural policy (Mitchell, 2000). There are many economic and non-economic components of "well-being". The objective of this paper is to provide an overview of the economic well-being of rural Canadians using a variety of income indicators. Incomes can be described in terms of levels and distribution. Levels refer to average and median incomes. Distribution refers to how incomes are distributed in an area in terms of the proportion of families with low incomes, the degree of income inequality, and through government transfers.

Income indicators

The following indicators will be used to describe the income levels of rural Canadians:

Levels

- average and median incomes for families and individuals, national and provincial;

Distribution

- the proportion of families with income below the low income cut-offs (LICOs);
- the proportion of families with income below the low income measures (LIMs);
- measures of the degree of income inequality (the Gini coefficient);
- the correlation of in-migration to a community with the measured incidence of low income in the community; and
- governmental impact on incomes through transfers and taxes.

Most of the analysis will be presented at the national level, with the exception of incomes, which will be presented at the provincial level as well.

Definitions

Most of the income data reported in this paper has been tabulated from the former Survey of Consumer Finances (SCF). This survey has been replaced with the Survey of Labour Income Dynamics. The sample for the SCF was drawn from the Labour Force Survey (LFS) sampling frame. The target population for the survey is all families and individuals residing in Canada, with the exception of people in the territories, residents of institutions, and people living on reserves.

The definition of "rural" in the LFS is (generally) individuals living outside centres of 1,000 or more and who live outside the commuting zones of urban centres of 10,000 or more. Urban refers to those areas that are not rural.

"Family" is defined as a group of individuals (2 or more) sharing a common dwelling unit and related by blood, marriage or adoption. Thus, all relatives living together are considered to comprise one family whatever the degree of family relationship. This definition of family is the "economic family" definition.

The term "individual" in this paper refers to any person 15 years of age and over who received some money income during the reference year.

Other terms will be defined as they arise in the paper.

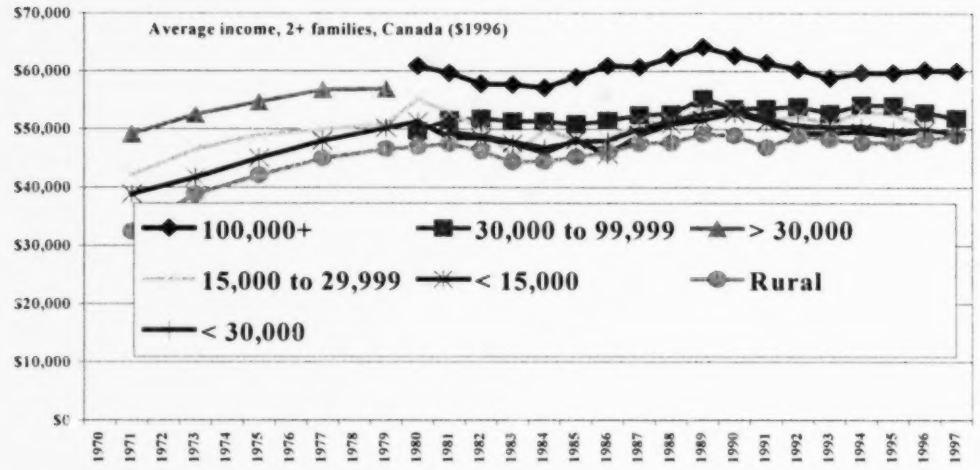
Average and median incomes for families

Incomes are lower in rural areas. For the past three decades, rural families and individuals have had the lowest average and median incomes and the most populous areas (100,000 or more) have had the highest incomes.

In 1997, the average income for families living in rural areas was $48,850 while in areas with a population of 100,000 or more the average family income was $59,920 (Figure 1).

Figure 1

Rural families have the lowest average incomes

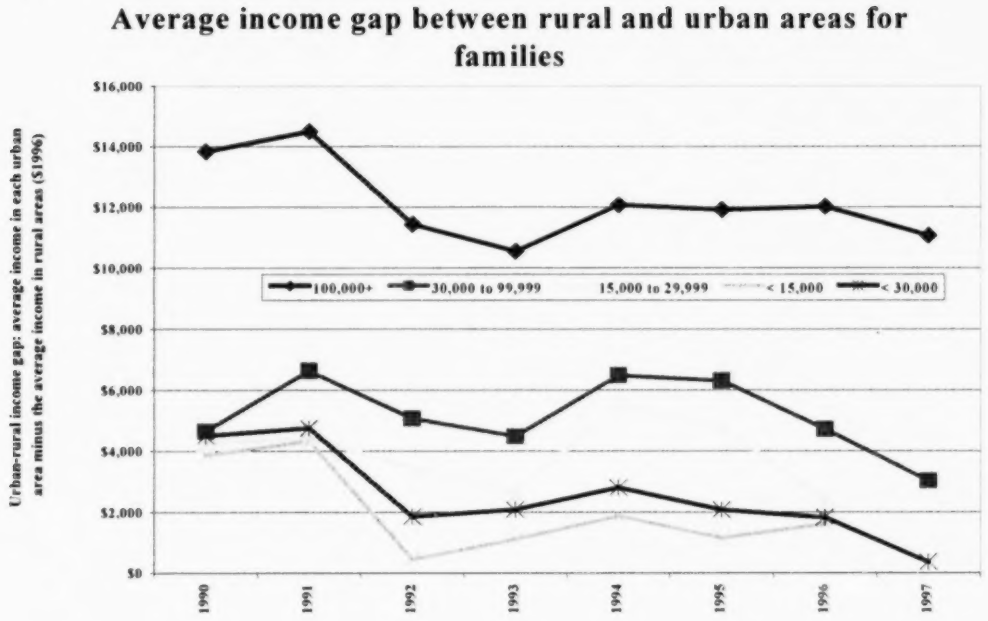


Source : Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207).

Incomes reached lows near the end of the recession in 1983. Through the eighties incomes recovered to pre-recession highs. In the nineties incomes declined for urban areas but remained flat for rural areas. As a result, by 1997 urban area incomes had not increased much from recession lows, while rural area incomes remained near pre-recession highs. This also resulted in narrowing the gap between rural and urban incomes.

The income gap between rural areas and smaller urban centres has been falling the most. Since 1990, the average income gap between rural areas and cities under 15,000 population fell by 58 percent. Even against the 100,000 plus population areas, the rural-urban income gap has fallen by 20 percent. By 1997, the average income for a rural family was only $359 below that of a family living in an urban area with a population less than 30,000 (Figure 2).

Figure 2

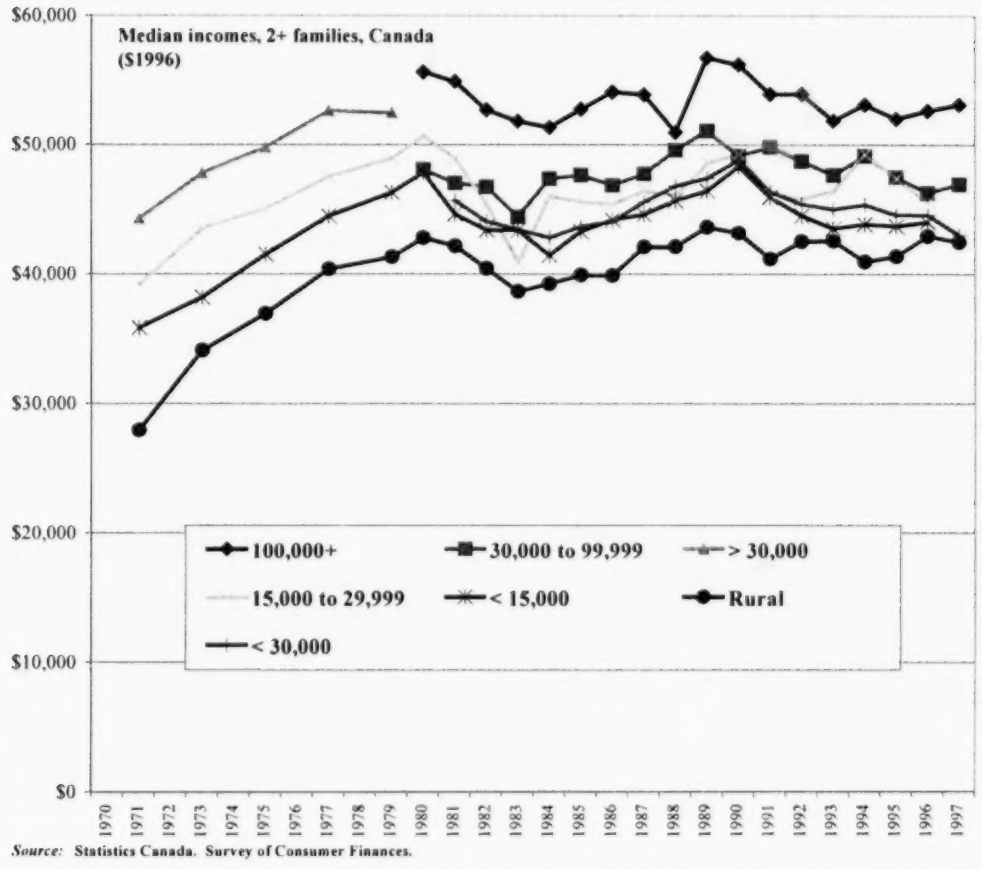


Source: **Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207).**

Similar patterns are seen for median family incomes. Rural families have lower median incomes. In 1997, the median income for families living in rural areas was $42,470 while in areas with a population of 100,000 or more the median family income was $53,101 (Figure 3).

Figure 3

Rural families have the lowest median incomes

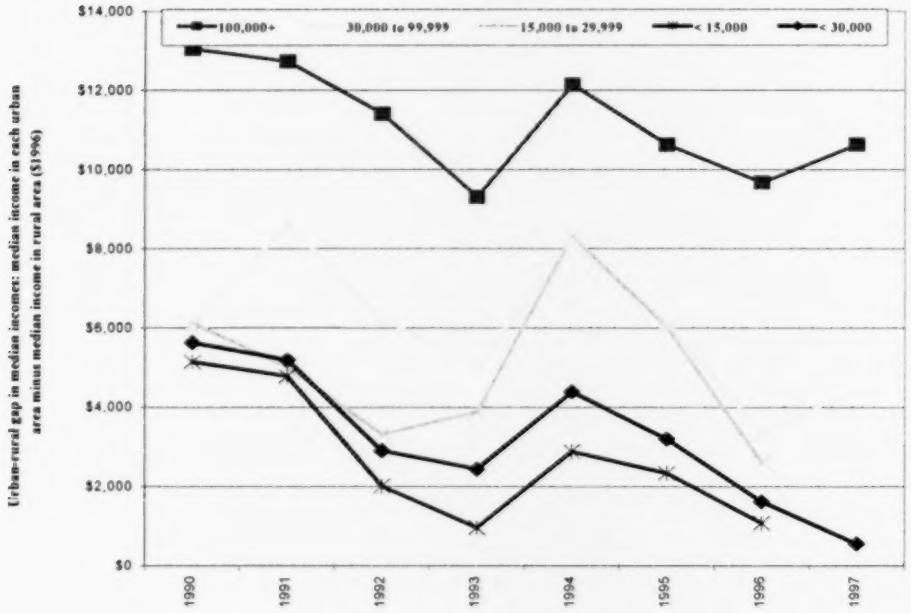


Source: Statistics Canada. Survey of Consumer Finances.

Since 1990, the median income gap between rural areas and urban areas has decreased for each urbanisation class. The gap between rural areas and smaller towns (under 15,000 population) has fallen the most. This gap in median income decreased by 79 percent. Against the 100,000 and over population class, the median income gap has decreased by 19 percent. In 1997, the median income for a rural family was only $555 below that of a family living in an urban area with a population less than 30,000 (Figure 4).

Figure 4

Median income gap between rural and urban areas for families



Source: Statistics Canada. Income Distribution by Size in Canada (Cat. No. 13-207).

Average and median incomes: individuals with income

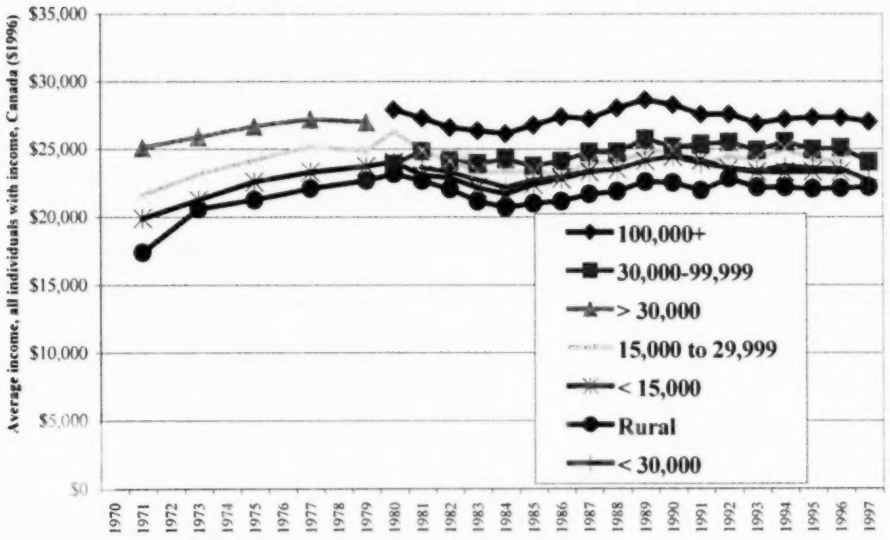
Rural individuals also lag their urban counterparts in terms of average and median incomes.

As with family incomes, individual incomes are higher in larger cities as rural individuals have the lowest incomes and individuals in the most populous areas (100,000 or more) have the highest. Also, similar to the case for family incomes, the income gap between rural and urban individuals has been declining in the nineties.

In 1997, the average income for an individual living in rural areas was $22,214 while in areas with a population of 100,000 or more the average individual income was $27,029 (Figure 5).

Figure 5

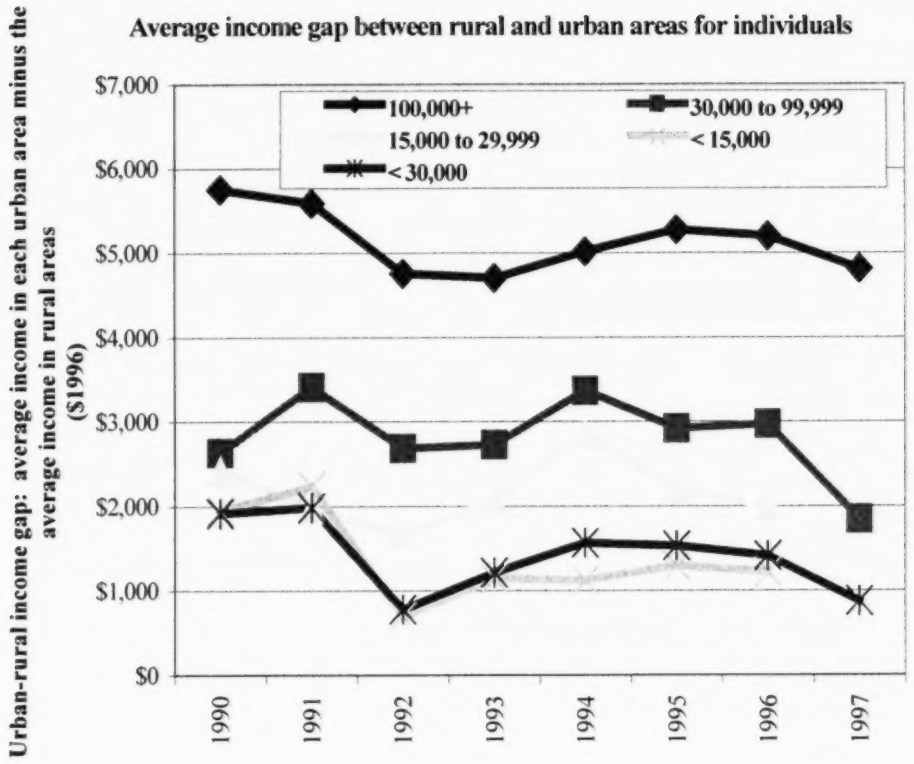
Rural individuals have the lowest average incomes



Source: Statistics Canada. Income Distributions by Size in Canada (Cat. No. 13-207).

Since 1990, the average income gap between rural individuals and urban individuals has fallen against each urbanisation class. The gap between rural areas and the least populous urban areas has been falling the most. Against the less than 15,000 population class, the average income gap fell by 37 percent. Against the 100,000 plus population class, the gap has fallen by 16 percent (Figure 6).

Figure 6



Source: Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207).

Similar patterns are seen for individual median incomes. In 1997, the median income for an individual living in rural areas was $16,811 while in areas with a population of 100,000 or more the median individual income was $21,613 (Figure 7).

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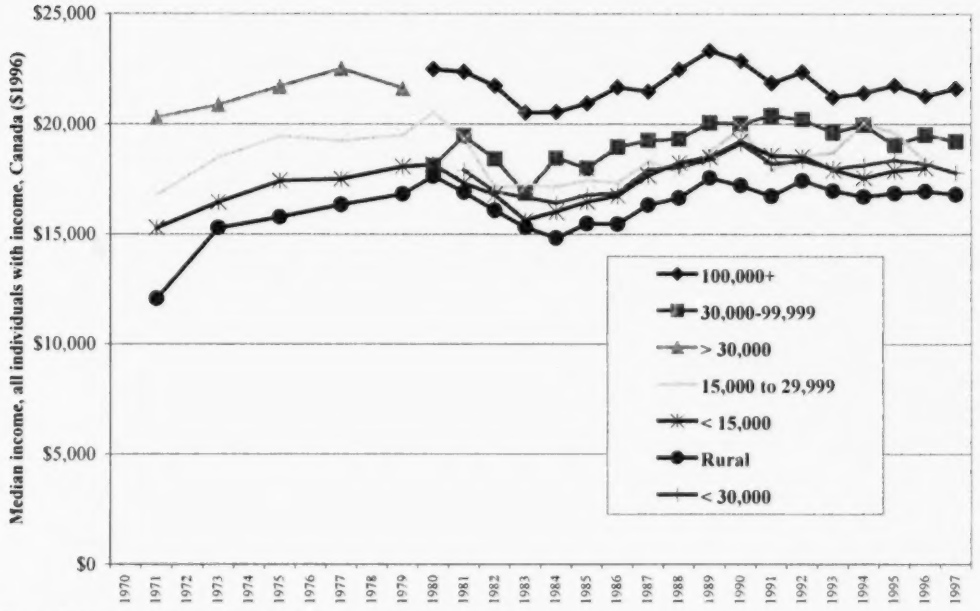
Figure 7

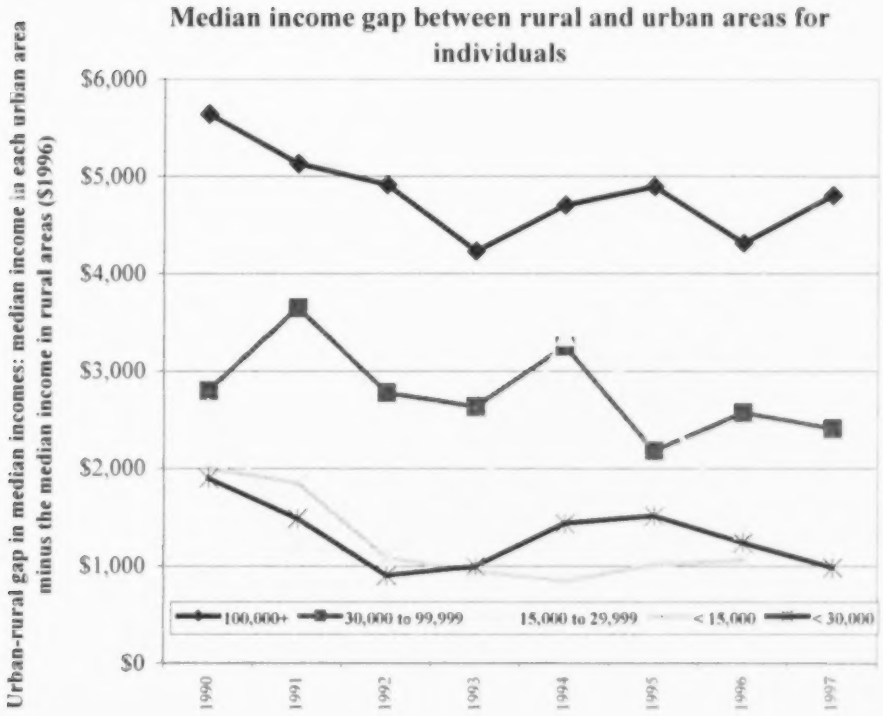
Rural individuals have the lowest median incomes



Source: Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207).

As with the average income of individuals, since 1990 the median income gap between rural individuals and individuals in each urbanisation class has been decreasing. The difference between individual median incomes in rural areas and in smaller cities has been decreasing the most. Against the 15,000 to 30,000 population areas the gap has decreased by 48 percent. The gap with the less than 15,000 population areas decreased by 47 percent. Against the 100,000 plus population areas the gap has decreased by 15 percent (Figure 8).

Figure 8



Source: Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207).

To summarise the national picture

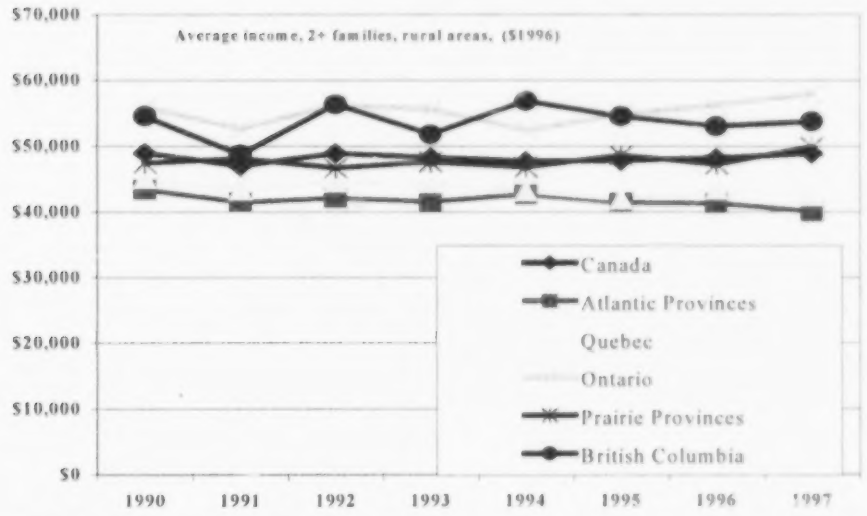
Overall, the data shows that incomes have not changed much since the early 1980s. Significant average and median income gaps remain between rural and urban areas for both individuals and families. The gap is larger when comparing rural areas to larger urban areas, reflecting that incomes are higher in larger cities. However, since 1990, because urban incomes have fallen while rural incomes have remained flat, all of these rural and income gaps have been declining. The rate of decline in the gap has been largest between the least populous urban areas.

Provincial trends

Reflecting the national trend, provincial rural average family incomes have generally remained flat through the nineties. Rural families in Ontario and British Columbia have the highest average incomes while rural families in the Atlantic Provinces and Quebec have the lowest average incomes (Figure 9).

Figure 9

Rural families in Ontario and British Columbia have the highest average incomes



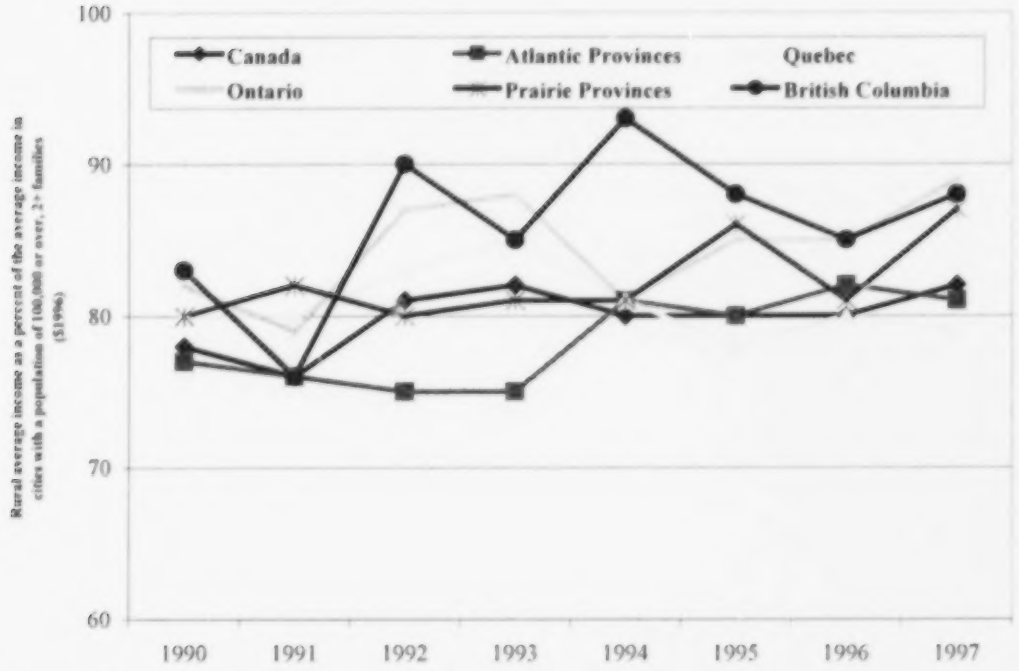
Source: **Statistics Canada. Survey of Consumer Finances.**

In addition to having the highest incomes amongst rural areas in Canada, rural family incomes in Ontario and British Columbia are closer to the family incomes in the large cities in their respective provinces, compared to the situation of rural families in other regions. In recent years, rural families in Quebec have been the furthest behind the income levels of families in the larger cities in Quebec.

Rural family incomes in Ontario and British Columbia have generally been between 10 to 15 percent lower than family incomes in areas with a population of 100,000 or more within their province. In contrast, rural family incomes in Quebec are approximately 20 percent lower compared to the urban areas with 100,000 or more population in Quebec (Figure 10).

Figure 10

Rural families in Ontario and British Columbia have the closest incomes to families in cities with 100,000 or more population in their province



Source: **Statistics Canada. Survey of Consumer Finances.**

A provincial analysis of median family income and average and median individual incomes yields similar results as above.

Low income cut-offs

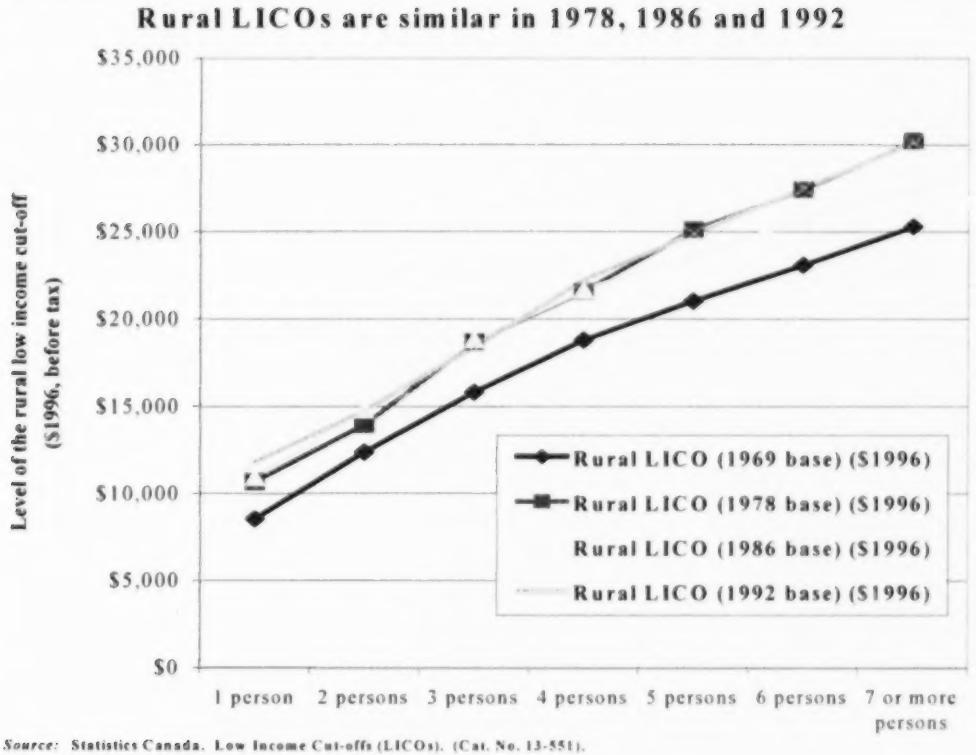
Low income cut-offs (LICOs) reflect an income level where families are substantially worse off in the sense that they have to spend a greater proportion of their income on necessities than the average family of a similar size. The LICO has been recalculated with data for each Family Expenditure Survey during the 1980s and 1990s. The average spending on necessities in that base year drives the calculation of the cut-offs.

The LICOs calculated for rural areas are similar using either 1978, 1986 or 1992 as base years. Only the low income cut-off defined for 1969 has a substantively lower cut-off level (Figure 11).

Low income cut-offs (LICOs) are established using data from Statistics Canada's Family Expenditure Survey, now known as the Survey of Household Spending. They convey the income level at which a family may be in straitened circumstances because it has to spend a greater proportion of its income on necessities than the average family of similar size. Specifically, the threshold is defined as the income below which a family is likely to spend 20 percentage points more of its income on food, shelter and clothing than the average family. There are separate cut-offs for seven sizes of family – from unattached individuals to families of seven or more persons – and for five community sizes – from rural areas to urban areas with a population of more than 500,000.

To calculate the proportion of individuals with low incomes, the family size and community size are used to find the appropriate cutoff.

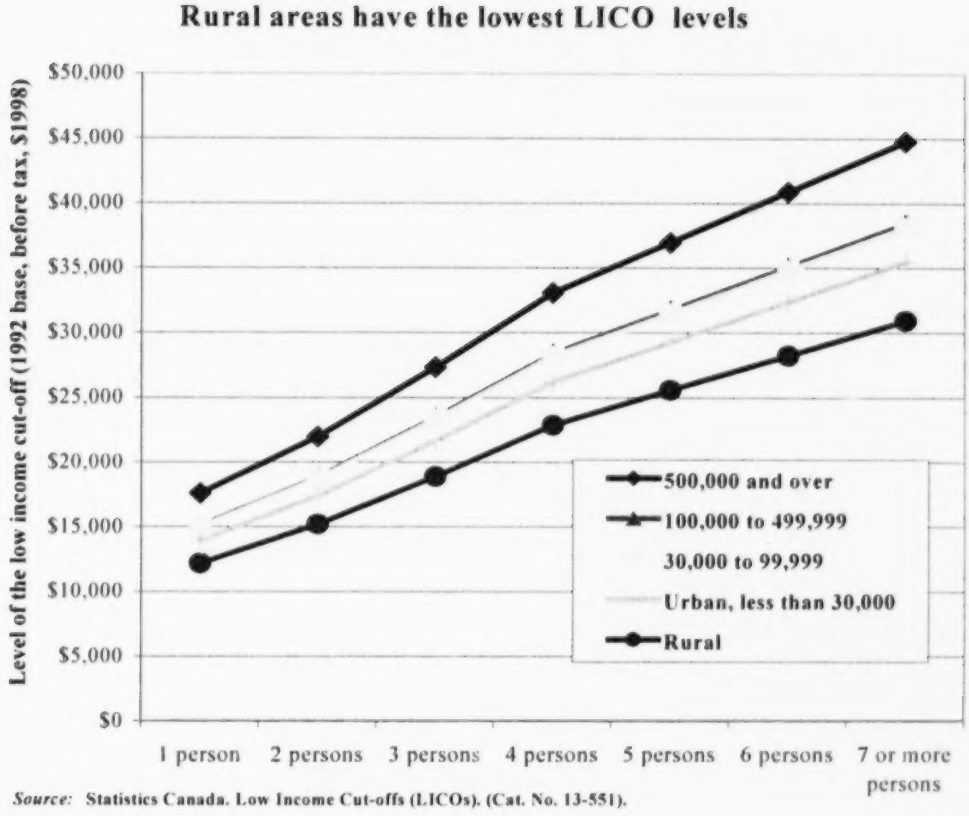
Figure 11



Source: Statistics Canada. Low Income Cut-offs (LICOs). (Cat. No. 13-551).

The calculated LICO levels are higher in larger cities. Families living in communities of 500,000 or more persons require the most income to be above the LICO level (i.e. to avoid "straitened circumstances" due to the higher cost of food, clothing and especially shelter (see Marshall and Bollman, 1999)). Rural areas have the lowest LICO levels for each family size (Figure 12). This indicates that rural families are better off at lower income levels in the sense that the necessities of food, clothing and especially shelter are achieved at a lower income level. This reflects the lower cost of living in rural areas.

Figure 12

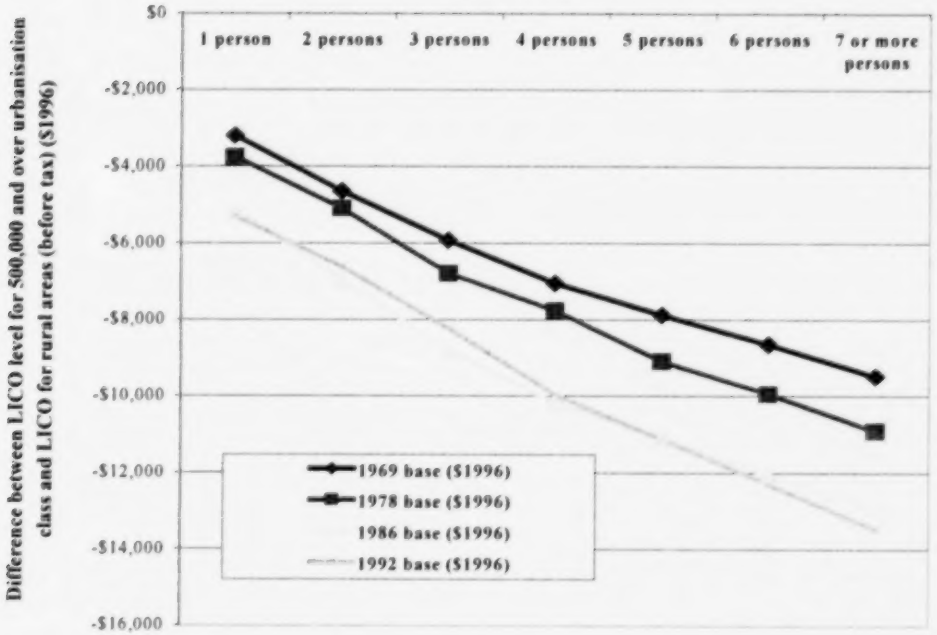


Source: **Statistics Canada. Low Income Cut-offs (LICOs). (Cat. No. 13-551).**

The largest difference in LICO limits are between the 500,000 and over population class and the rural class. The difference in LICO limits between these two population classes ranges from $5,290 for a single person family to $13,473 for a family with 7 or more persons (1992 base). This means that a family with 7 or more persons living in a community with a population of 500,000 and over would require $13,473 more income to be above the LICO level than the same sized family living in a rural area. The differences in LICO limits are similar using either 1986 or 1992 as base years (Figure 13).

Figure 13

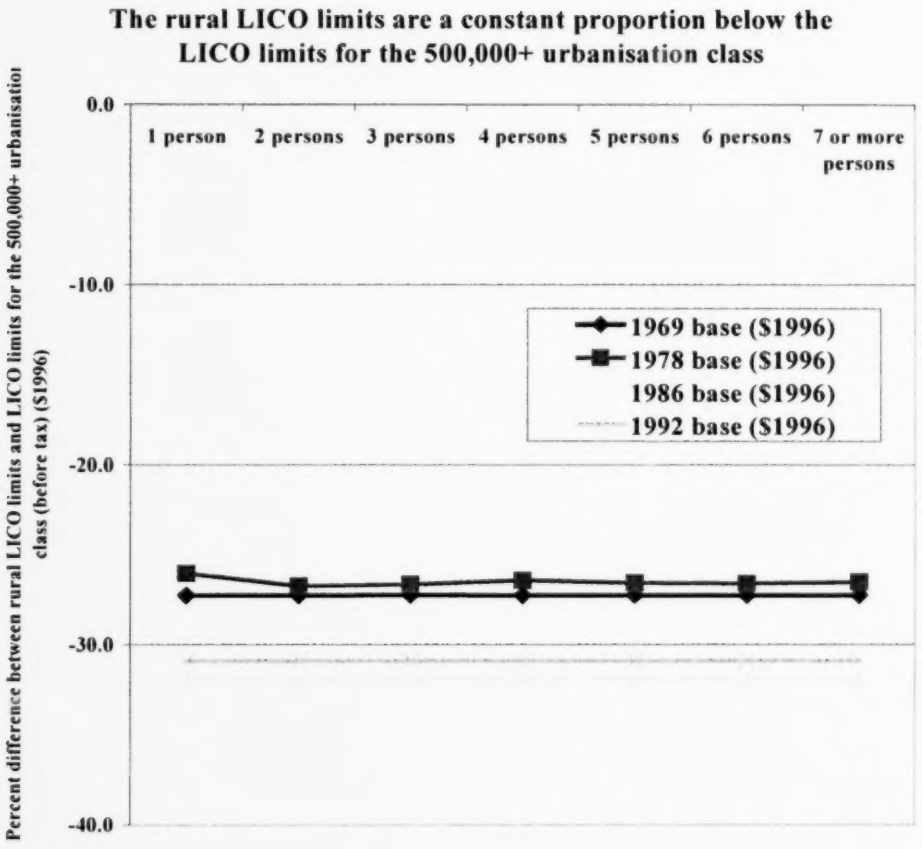
The difference between LICO limits for the 500,000+ urbanisation class and rural areas is similar in 1986 and 1992



Source: Statistics Canada. Low Income Cut-offs (LICOs). (Cat. No. 13-551).

The methodology for deriving the cut-offs for each family size essentially imposes a constant adjustment across all family size classes so that family size does not affect the proportional differences in LICO limits. The ratio of the low income cut-off for rural versus cities with 500,000 persons and over is a constant ratio across all family size classes. For each family size, rural LICO limits are approximately 31 percent below those for communities with a population of 500,000 and over (1992 base) (Figure 14).

Figure 14

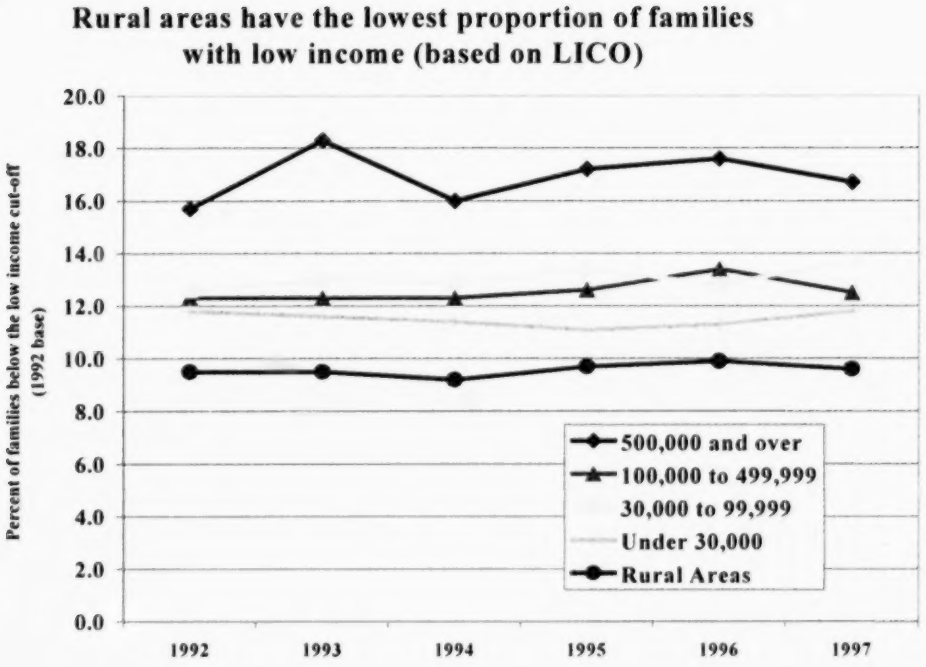


Source: Statistics Canada. Low Income Cut-offs (LICOs) (Cat. No. 13-551).

Low income rates give the proportion of families with income below the LICO level. This gives an indication of the economic well-being of a community in terms of the proportion of its residents who are restrained in their relative ability to purchase necessities.

Through the 1990s, within each community size low income rates have not fluctuated significantly. The rates are higher in larger cities as rural families have the lowest rates and the most populous areas (500,000 and over) have the highest incidence of low incomes. Rates for families living in rural areas remained at slightly below 10 percent while for those living in areas with a population of 500,000 and over the rates ranged from 16 to 18 percent (Figure 15).

Figure 15



Source: Statistics Canada. Income Distribution by Size in Canada. (Cat. No. 13-207)

This indicates that, economically, rural communities are better off than urban communities in the sense that a lower proportion of its residents is restrained in their relative ability to purchase necessities.

Low income measures

Low income measures (LIMs) are one alternative to low income cut-offs for measuring the size, incidence and composition of the low income population.

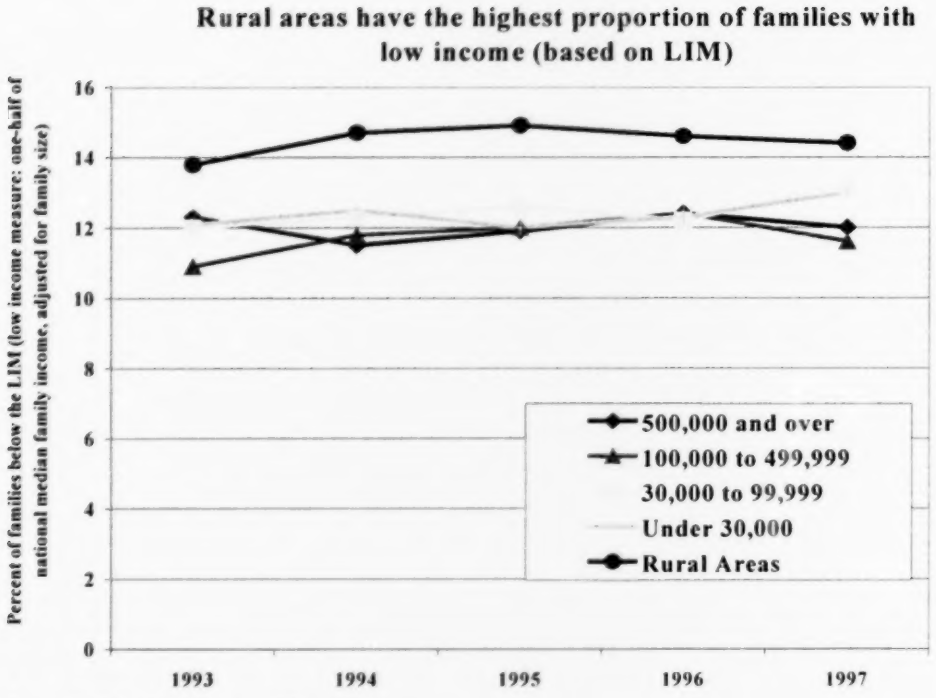
Low income rates give the proportion of families with income less than one-half of the median adjusted family unit income (LIM level). This gives an indication of the economic well-being of a community in terms of the proportion of its residents who have income below a low income level determined by LIM.

Through the 1990s, like the low income rates based on LICO, low income rates based on LIM have not fluctuated significantly within each community size. However, across different community sizes, LIM rates have exhibited the opposite pattern of LICO rates. Unlike LICO rates, LIM rates are higher in smaller areas as rural families have the highest rates and the most populous areas (500,000 and over) have the lowest. LIM rates for families living in rural areas were approximately 15 percent while for those living in

areas with a population of 500,000 and over the rates were approximately 12 percent (Figure 16).

The low income measure equals half of adjusted median family income, where the adjustment is made in consideration of family size. This adjustment for family size reflects the precept that family needs increase with family size. For example, a family of four needs a higher income than a family of two in order to enjoy the same standard of living. By how much must the larger family's income exceed the income of the smaller family in order for the two families to have equivalent standards of living is decided arbitrarily. Each additional adult is assumed to increase the family's needs by 40 percent of the needs of the first adult. Each child's (less than 16 years of age) needs are assumed to be 30 percent of the first adult, except in a family with only one adult, where the first child is assumed to increase the family's needs by 40 percent of the needs of the only adult.

Figure 16



Source: Statistics Canada. Survey of Consumer Finances.

This indicates that, economically, rural communities are worse off than urban communities in the sense that a higher proportion of its residents has income below a low income level determined by LIM.

The reason for this is that in the LIM methodology all families are compared to the national-level median income. Because rural people have lower incomes, rural has the highest proportion of families with income below this measure. This "low income measure" is becoming accepted as an international standard. Since it does not take account of the differences in the cost of living among urbanisation classes, this measure will show that countries with a high proportion of rural population will have a relatively high proportion of families below this "low income measure". However, wages in rural areas are often lower because the cost of living is lower. As a result, incomes would be lower and the LIM would show a higher incidence of low income in these areas. However, the (lower) income level in areas with a lower cost of living may have the same real value as the (higher) income in a higher cost of living area. Thus, even if the real value of income were the same in these two areas, the LIM would be higher in the low income area.

It is important to note that LICO and LIM do not measure the level of poverty in Canada. The level of poverty cannot be measured because unlike concepts such as gross

domestic product or consumer prices, currently there is no consensus on how to define poverty. Relying on a well-defined methodology based on arbitrary assumptions, they measure the extent and composition of the low income population, in terms of those who are worse off than average. This does not necessarily measure poverty[1].

Gini coefficient of inequality

The Gini coefficient can be applied to incomes to describe the nature of the income distribution. It measures the degree of inequality in an income distribution. Gini coefficients can be used to compare the uniformity of income allocation across different populations over time. The Gini coefficient is constructed in such a way that it ranges in value from 0 to 1 where higher values are associated with greater income inequality.

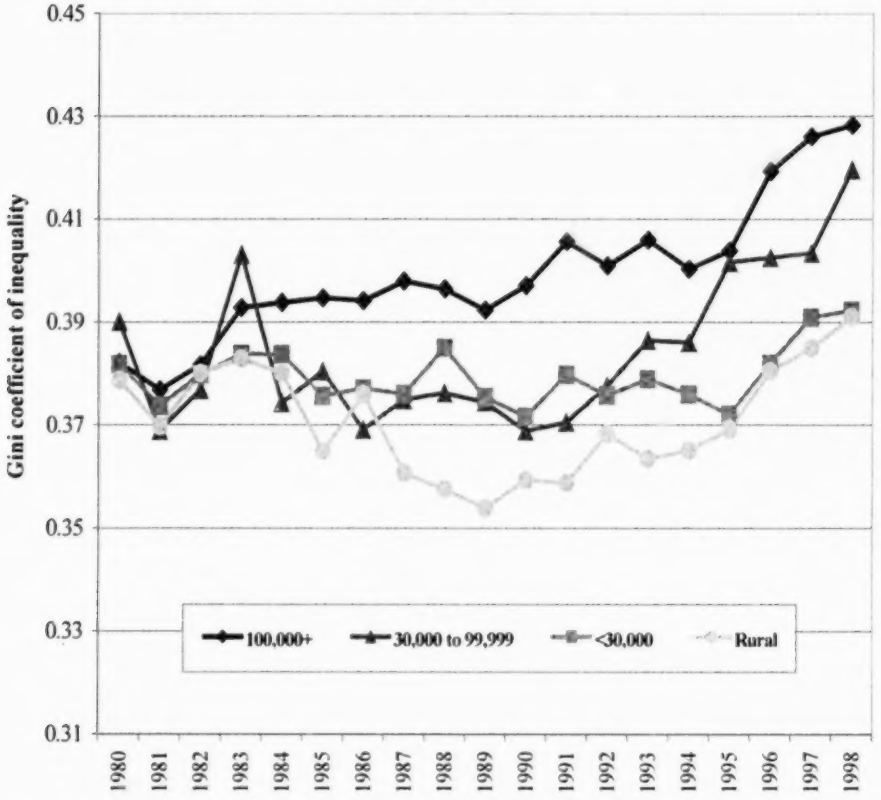
Gini coefficients are higher in larger cities. Since the 1980s, rural areas had the lowest degrees of income inequality while areas with a population of 100,000 and over had the highest (Figure 17). This indicates that incomes are more equally distributed within rural areas so that those earning lower incomes are not as far behind higher income earners compared to the situation within more populous areas. In this sense, the economic well-being of rural areas is "better" than in urban areas.

> The Gini coefficient, as applied to incomes, measures the degree of inequality in an income distribution. The Gini coefficient is constructed in such a way that it ranges in value from 0 to 1 where higher values are associated with greater income inequality. A value of zero indicates income is equally divided among the population with all units receiving exactly the same amount of income. At the opposite extreme, a Gini coefficient of 1 denotes a perfectly unequal distribution where one unit possesses all of the income in the economy. A decrease in the value of the Gini coefficient can be interpreted as reflecting a decrease in inequality, and vice versa. A difference of 0.01 or more between two Gini coefficients is considered statistically significant.

[1] Further discussions regarding issues pertaining to the measurement of poverty can be found in Wolfson (1989) and Fellegi (1997).

Figure 17

Rural areas have a lower degree of income inequality



Source: Statistics Canada. Survey of Consumer Finances.

Correlation of migration into a community and the measured incidence of low income

The level of living often acts as a motivating factor affecting migration. Typically, people have disincentives to migrate into an area with a perceived low level of living. If low income rates reflect a low level of living, then it would be expected that migration rates are lower into areas with a higher proportion of individuals with low incomes. In this way, depending on the degree of labour mobility, economic viability - as measured by income levels - can reduce migration into one area and increase it into another.

Migration patterns in Canada have adhered well to theory, indicating a mobile labour force. A case in point is the population exchanges that have occurred between Eastern and Western Canada. Since the early 1970s migration into Alberta increased substantially as a result of increased exploration and development in the oil fields. As the world oil situation deteriorated in the mid 1980s, however, the rate of migration into Alberta began to fall. Since that time Alberta has seen renewed strength in migration rates in response to improving economic conditions resulting from recovering oil prices.

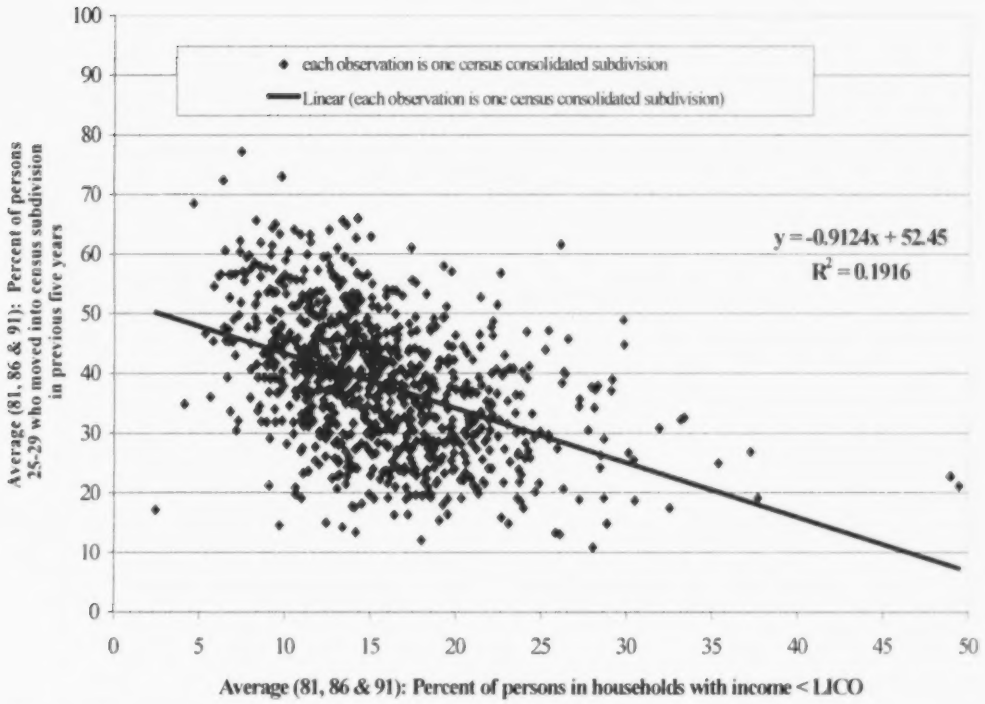
There are countless cases in Canada where areas with higher incomes have seen increased migration while fewer people move into areas with lower incomes.

Here we consider the gross rate of migration into a community of persons 25 to 29 years of age and we look to see if this migration rate is higher or lower into communities with a higher proportion of families with low incomes. If our measure(s) of the incidence of low incomes are indicating "less prosperous" or "poorer" communities, we would expect the rate of migration into these communities to be less. In fact, whether we use LICO or LIM as the measure of the incidence of low incomes, we find a lower rate of migration into communities with a higher incidence of low income families (Figures 18 and 19). Fewer people move into areas with higher low income rates indicating that measured low income rates are a good indication of a low level of living.

Figure 18

In-migration of persons 25-29 is NEGATIVELY correlated with community incidence of low income, based on LICO

(for communities in predominantly rural regions)

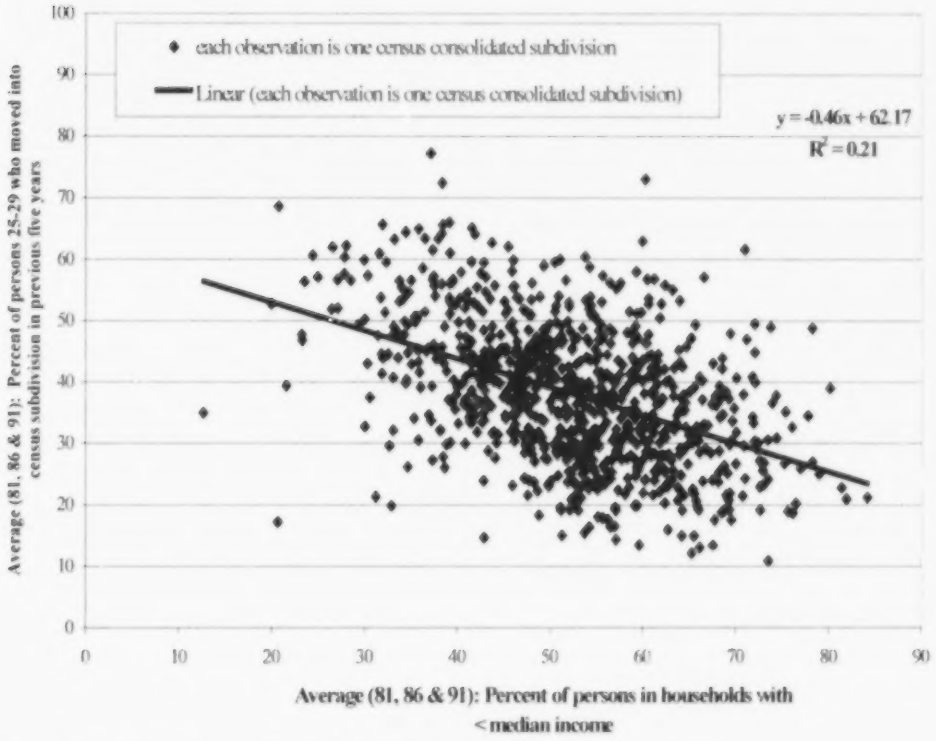


Source: Statistics Canada. Census of Population, 1981, 1986 and 1991.

Figure 19

In-migration of persons 25-29 is NEGATIVELY correlated with community incidence of low income, based on LIM

for communities in predominantly rural regions



Source: Statistics Canada. Census of Population, 1981, 1986 and 1991.

It should be noted that the degree of correlation is weak but it appears to indicate the general pattern. For any level of the measure of the incidence of low income, there is a wide range (from 10 to 70 percent) in the proportion of individuals aged 25 to 29 that moved into the communities in the previous five years. The highest correlation was found for the individuals aged 25 to 29 – the correlation for other age groups was lower (graphs not shown).

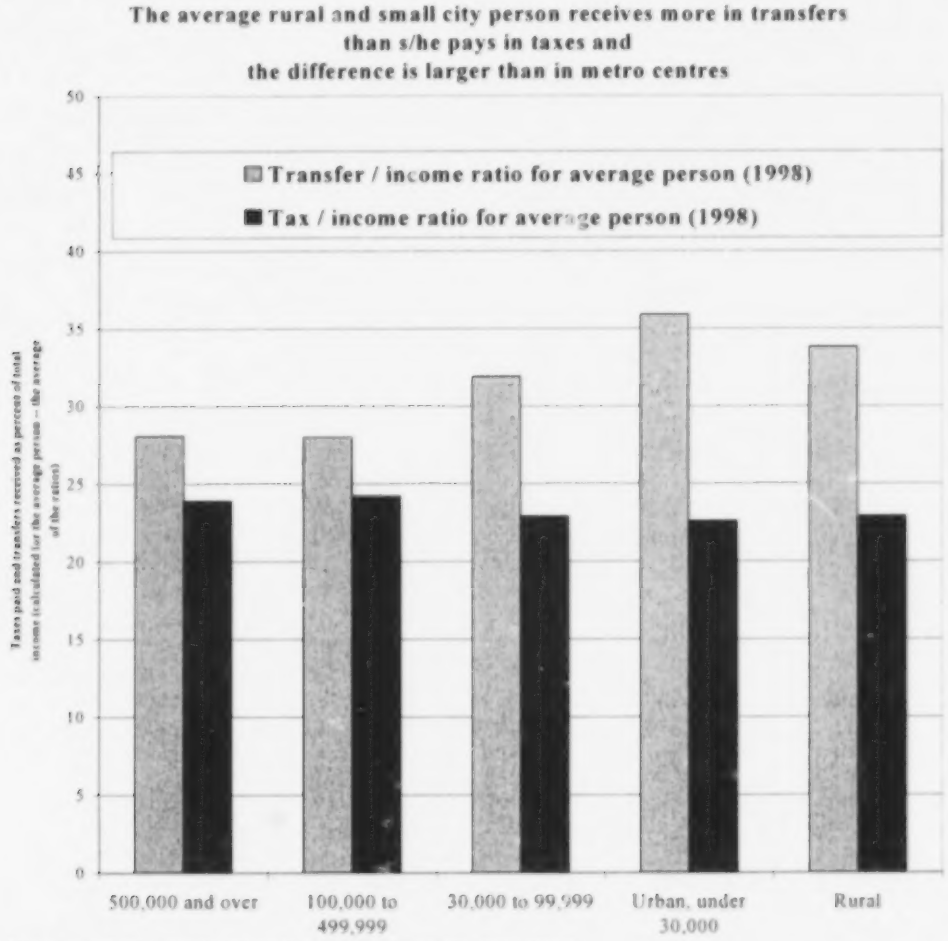
Governmental impact on incomes through transfers and taxes

Government transfers and taxes affect incomes. Receiving more transfers than paying in taxes increases income.

There are different ways to measure the difference between transfers received and taxes paid. In terms of the transfers received and taxes paid as a proportion of total income for the average person, rural and small urban area residents had both one of the

highest levels of transfer income and lowest average tax loads[2]. In all community sizes, the average person receives more transfers than one pays in taxes (Figure 20).

Figure 20



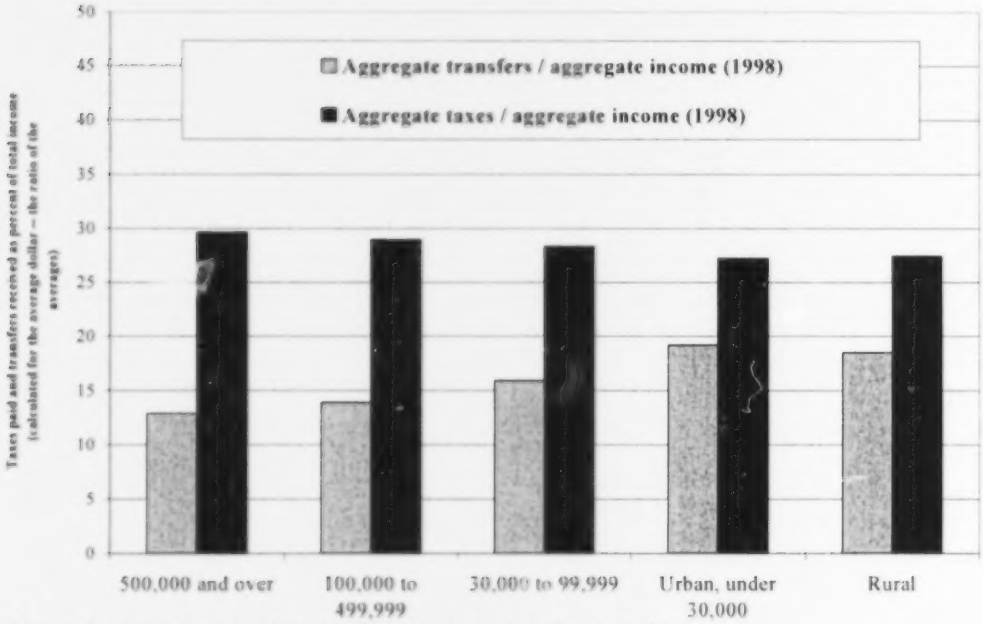
Source: **Statistics Canada. Social Policy Simulation Data Base / Model.**

In terms of the transfers received and taxes paid as a proportion of aggregate income in a region, rural and small urban areas had both one of the highest levels of transfer income and lowest tax loads relative to their aggregate income (Figure 21).

[2] This section uses data from the Statistics Canada Social Policy Simulation Database / Model and provides an update of Murphy (1992). Transfers refer to cash transfers to households such as unemployment insurance, social assistance, and through the Old Age Security program. Taxes refer to personal income taxes, sales taxes, and payroll taxes that are borne directly by households.

Figure 21

The rural and small city population pays more in taxes than it receives in transfers but the gap is smaller than in metro areas



Source: **Statistics Canada. Social Policy Simulation Database / Model.**

Interestingly, in all community sizes, total taxes exceeded total transfers even though it was previously seen that the average person receives more transfers than one pays in taxes (Figure 20). Due to an income distribution with a small proportion of individuals with high income coupled with a progressive income tax system, more total taxes are collected than are paid in transfers. However, the average person (in the middle of the income distribution) receives more transfers than is paid in taxes.

On average, rural individuals tend to receive relatively more transfers, at least in part because their unemployment rates are higher, there is a higher proportion of children (and thus rural residents receive more from the child tax credit) and there is a higher proportion of retired people which receive Canada and Québec Pension Plan benefits. As well, on average, rural individuals pay lower taxes because their incomes are lower.

Summary

Differences in population size and access to markets, among other things, have led to differences in the economic well-being between rural and urban residents.

Collectively, the income indicators show inconclusive evidence regarding the relative economic well-being of rural residents. Some indicators have shown that rural residents are worse off. Although recently the income differences have been declining, more so with smaller urban areas, average and median income levels, for both families and individuals, are lower in rural areas. Incomes are lowest amongst rural families in the Atlantic Provinces and Québec. In addition, the incidence of low incomes, as measured by the 'low income measure' (LIM) is higher in rural areas.

In contrast, some indicators have shown that rural residents are better off. Opposing the LIM results, based on LICO data, which makes adjustments for the cost of living across urbanisation classes, the incidence of low incomes is lower in rural areas. Furthermore, the GINI coefficients show that income is more equally distributed within rural areas. Finally, rural areas have a relatively higher level of transfer income and a lower average tax load.

The mixed evidence elicited from the indicators makes determining a conclusion regarding the relative economic well-being of rural residents difficult. Overall, perhaps the best conclusion is that it is inconclusive, depending on the indicators used and the value attributed to them.

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Appendix

Table 1 Average incomes for 2+ families (constant 1996 dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			49,118		42,137	38,857	32,407
1972							
1973			52,493		46,571	41,721	38,845
1974							
1975			54,685		49,018	45,037	42,078
1976							
1977			56,772		49,985	47,983	44,946
1978							
1979			56,914		50,868	50,173	46,574
1980	60,845	49,647			55,127	51,250	46,974
1981	59,681	51,547		49,462	52,954	48,544	47,443
1982	57,780	51,769		48,877	50,126	48,404	46,189
1983	57,665	51,323			45,440	47,576	44,399
1984	57,087	51,308		46,800	49,880	45,947	44,455
1985	58,949	50,826		47,764	48,208	48,152	45,226
1986	60,905	51,423		47,938	48,187	45,578	45,925
1987	60,695	52,425		49,978	51,081	48,956	47,510
1988	62,361	52,614		51,354	51,263	50,795	47,660
1989	64,158	55,254		52,559	53,471	51,552	49,113
1990	62,723	53,542		53,396	53,162	52,771	48,889
1991	61,406	53,544		51,666	51,340	51,245	46,909
1992	60,296	53,928		50,717	52,306	49,317	48,857
1993	58,780	52,714		50,310	50,878	49,351	48,230
1994	59,712	54,128		50,444	53,170	49,513	47,639
1995	59,663	54,060		49,820	52,537	48,906	47,748
1996	60,159	52,861		49,961	50,556	49,756	48,136
1997	59,920	51,871		49,209			48,850

Table 2 Average incomes for 2+ families (current dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			11,560		9,917	9,145	7,627
1972							
1973			13,942		12,369	11,081	10,317
1974							
1975			17,832		15,984	14,686	13,721
1976							
1977			21,464		18,898	18,141	16,993
1978							
1979			25,606		22,886	22,573	20,954
1980	30,135	24,589			27,303	25,383	23,265
1981	33,225	28,697		27,536	29,480	27,025	26,412
1982	35,662	31,952		30,167	30,938	29,875	28,508
1983	37,662	33,520			29,678	31,073	28,998
1984	38,903	34,965		31,893	33,992	31,312	30,295
1985	41,788	36,030		33,859	34,174	34,134	32,060
1986	44,959	37,960		35,387	35,571	33,645	33,901
1987	46,755	40,384		38,499	39,349	37,712	36,598
1988	49,983	42,171		41,161	41,088	40,713	38,200
1989	53,970	46,480		44,213	44,980	43,366	41,314
1990	55,312	47,216		47,087	46,881	46,536	43,113
1991	57,169	49,850		48,101	47,798	47,709	43,672
1992	56,991	50,972		47,937	49,439	46,613	46,179
1993	56,558	50,721		48,408	48,954	47,485	46,407
1994	57,567	52,184		48,632	51,260	47,735	45,928
1995	58,761	53,242		49,067	51,742	48,166	47,026
1996	60,159	52,861		49,961	50,556	49,756	48,136
1997	60,939	52,754		50,046			49,681

Table 3 Median incomes for 2+ families (constant 1996 dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			44,287		39,231	35,823	27,941
1972							
1973			47,832		43,544	38,205	34,093
1974							
1975			49,815		45,095	41,510	36,917
1976							
1977			52,628		47,554	44,492	40,379
1978							
1979			52,471		48,986	46,296	41,298
1980	55,622	48,080			50,659	47,838	42,780
1981	54,887	47,037		45690	48,959	44,623	42,183
1982	52,691	46,753		44081	45,392	43,384	40,421
1983	51,814	44,442			40,916	43,407	38,639
1984	51,327	47,371		42,797	46,008	41,448	39,221
1985	52,755	47,651		43,647	45,611	43,288	39,919
1986	54,092	46,869		44,065	45,409	44,176	39,878
1987	53,884	47,733		45,560	46,474	44,613	42,082
1988	50,966	49,564		46,810	46,054	45,697	42,110
1989	56,735	51,070		47,398	48,590	46,424	43,607
1990	56,204	49,139		48,785	49,289	48,301	43,155
1991	53,901	49,816		46,362	46,174	45,946	41,170
1992	53,919	48,733		45,413	45,835	44,519	42,509
1993	51,880	47,661		45,015	46,466	43,537	42,575
1994	53,097	49,110		45,346	49,270	43,838	40,955
1995	52,004	47,499		44,579	47,387	43,715	41,378
1996	52,621	46,285		44,565	45,558	44,022	42,949
1997	53,101	46,935		43,025			42,470

Table 4 Median incomes for 2+ families (current dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			10,423		9,233	8,431	6,576
1972							
1973			12,704		11,565	10,147	9,055
1974							
1975			16,244		14,705	13,536	12,038
1976							
1977			19,897		17,979	16,821	15,266
1978							
1979			23,607		22,039	20,829	18,580
1980	27,548	23,813			25,090	23,693	21,188
1981	30,556	26,186		25436	27,256	24,842	23,484
1982	32,521	28,856		27207	28,016	26,777	24,948
1983	33,841	29,026			26,723	28,350	25,236
1984	34,978	32,282		29,165	31,353	28,246	26,728
1985	37,397	33,779		30,941	32,333	30,686	28,298
1986	39,930	34,598		32,528	33,520	32,610	29,437
1987	41,508	36,770		35,096	35,800	34,366	32,417
1988	40,850	39,726		37,519	36,913	36,627	33,752
1989	47,726	42,961		39,872	40,874	39,052	36,683
1990	49,564	43,333		43,021	43,466	42,594	38,056
1991	50,182	46,379		43,163	42,988	42,776	38,329
1992	50,963	46,061		42,923	43,322	42,078	40,179
1993	49,919	45,859		43,313	44,709	41,891	40,965
1994	51,190	47,346		43,717	47,500	42,263	39,484
1995	51,218	46,781		43,905	46,670	43,054	40,752
1996	52,621	46,285		44,565	45,558	44,022	42,949
1997	54,004	47,734		43,757			43,193

Table 5 Average incomes for individuals (constant 1996 dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			25,120		21,640	19,911	17,400
1972							
1973			25,904		23,186	21,284	20,595
1974							
1975			26,680		24,211	22,604	21,267
1976							
1977			27,222		25,196	23,324	22,107
1978							
1979			26,997		24,910	23,732	22,689
1980	27,900	23,886			26,290	24,078	23,187
1981	27,289	24,857		23,637	24,911	23,082	22,676
1982	26,604	24,170		23,315	24,138	22,905	22,058
1983	26,349	23,921			23,383	22,157	21,166
1984	26,139	24,262		22,215	23,314	21,701	20,704
1985	26,763	23,770		22,730	23,352	22,407	21,016
1986	27,383	24,125		22,936	23,107	22,810	21,169
1987	27,238	24,786		23,389	23,976	23,353	21,691
1988	28,039	24,769		23,519	24,083	23,521	21,897
1989	28,641	25,741		24,116	24,758	24,124	22,610
1990	28,280	25,158		24,446	24,950	24,477	22,528
1991	27,546	25,367		23,939	23,932	24,194	21,957
1992	27,593	25,517		23,612	24,498	23,531	22,834
1993	26,893	24,915		23,401	24,251	23,337	22,188
1994	27,212	25,561		23,761	25,048	23,324	22,195
1995	27,336	24,982		23,596	24,270	23,362	22,065
1996	27,320	25,090		23,536	24,119	23,342	22,120
1997	27,029	24,064		22,702			22,214

Table 6 Average incomes for individuals (current dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			5,912		5,093	4,686	4,095
1972							
1973			6,880		6,158	5,653	5,470
1974							
1975			8,700		7,895	7,371	6,935
1976							
1977			10,292		9,526	8,818	8,358
1978							
1979			12,146		11,207	10,677	10,208
1980	13,818	11,830			13,021	11,925	11,484
1981	15,192	13,838		13,159	13,868	12,850	12,624
1982	16,420	14,918		14,390	14,898	14,137	13,614
1983	17,209	15,623			15,272	14,471	13,824
1984	17,813	16,534		15,139	15,888	14,789	14,109
1985	18,972	16,850		16,113	16,554	15,884	14,898
1986	20,214	17,809		16,931	17,057	16,838	15,627
1987	20,982	19,093		18,017	18,469	17,989	16,709
1988	22,474	19,853		18,851	19,303	18,852	17,551
1989	24,093	21,654		20,287	20,827	20,293	19,020
1990	24,939	22,186		21,558	22,002	21,585	19,866
1991	25,645	23,617		22,287	22,281	22,525	20,442
1992	26,080	24,118		22,318	23,155	22,241	21,582
1993	25,876	23,973		22,516	23,334	22,455	21,349
1994	26,235	24,643		22,908	24,148	22,486	21,398
1995	26,923	24,604		23,239	23,903	23,009	21,731
1996	27,320	25,090		23,536	24,119	23,342	22,120
1997	27,489	24,473		23,481			22,592

Table 7 Median incomes for individuals (constant 1996 dollars), Canada							
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			20,297		16,805	15,284	12,059
1972							
1973			20,870		18,517	16,457	15,286
1974							
1975			21,712		19,467	17,437	15,775
1976							
1977			22,522		19,261	17,518	16,354
1978							
1979			21,638		19,529	18,079	16,828
1980	22,483	18,121			20,534	18,172	17,641
1981	22,363	19,472		17,918	19,342	17,318	16,906
1982	21,737	18,428		16,949	17,145	16,803	16,085
1983	20,517	16,865			17,224	15,636	15,311
1984	20,544	18,466		16,423	17,191	16,030	14,827
1985	20,944	18,006		16,783	17,463	16,477	15,482
1986	21,675	18,965		16,872	17,353	16,744	15,466
1987	21,470	19,266		17,926	18,331	17,664	16,332
1988	22,461	19,338		18,047	17,855	18,253	16,659
1989	23,320	20,054		18,395	18,787	18,508	17,556
1990	22,860	20,018		19,117	19,847	19,224	17,223
1991	21,864	20,381		18,217	17,951	18,582	16,735
1992	22,353	20,215		18,340	18,536	18,527	17,442
1993	21,214	19,618		17,981	18,728	17,930	16,986
1994	21,412	19,965		18,146	20,068	17,556	16,712
1995	21,752	19,037		18,370	19,603	17,871	16,859
1996	21,262	19,518		18,187	18,317	18,011	16,951
1997	21,613	19,216		17,792			16,811

Table 8	Median incomes for individuals (current dollars), Canada						
Year	Size of area of residence						
	100,000 +	30,000 to 99,999	> 30,000	< 30,000	15,000 to 29,999	< 15,000	Rural
1971			4,777		3,955	3,597	2,838
1972							
1973			5,543		4,918	4,371	4,060
1974							
1975			7,080		6,348	5,686	5,144
1976							
1977			8,515		7,282	6,623	6,183
1978							
1979			21,638		8,786	8,134	7,571
1980	11,135	8,975			10,170	9,000	8,737
1981	12,450	10,840		9,975	10,768	9,641	9,412
1982	13,416	11,374		10,461	10,582	10,371	9,928
1983	13,400	11,015			11,249	10,212	10,000
1984	14,000	12,584		11,192	11,715	10,924	10,104
1985	14,847	12,764		11,897	12,379	11,680	10,975
1986	16,000	14,000		12,455	12,810	12,360	11,417
1987	16,539	14,841		13,809	14,121	13,607	12,581
1988	18,003	15,500		14,465	14,311	14,630	13,352
1989	19,617	16,870		15,474	15,804	15,569	14,768
1990	20,159	17,653		16,858	17,502	16,953	15,188
1991	20,355	18,975		16,960	16,712	17,300	15,580
1992	21,128	19,107		17,335	17,520	17,511	16,486
1993	20,412	18,876		17,301	18,020	17,252	16,344
1994	20,643	19,248		17,494	19,347	16,925	16,112
1995	21,423	18,749		18,092	19,307	17,601	16,604
1996	21,262	19,518		18,187	18,317	18,011	16,951
1997	21,981	19,543		18,095			17,097

Table 9 Average incomes for 2+ families Atlantic Provinces (constant 1996 dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	56,242	46,115	46,537	43,361
1991	54,549	46,780	46,684	41,420
1992	56,199	47,537	46,722	42,094
1993	55,094	46,799	46,775	41,515
1994	52,451	49,588	44,495	42,593
1995	51,684	52,905	42,368	41,372
1996	50,067	48,692	43,235	41,289
1997	49,362	47,846	42,858	39,987

Table 10 Average incomes for 2+ families Atlantic Provinces (current dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	49,597	40,667	41,039	38,238
1991	50,785	43,552	43,463	38,562
1992	53,118	44,931	44,161	39,786
1993	53,011	45,030	45,007	39,945
1994	50,567	47,807	42,897	41,063
1995	50,902	52,105	41,727	40,746
1996	50,067	48,692	43,235	41,289
1997	50,202	48,660	43,587	40,667

Table 11 Average incomes for 2+ families Quebec (constant 1996 dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	56,424	49,607	48,349	44,989
1991	54,351	52,746	49,586	43,306
1992	53,737	50,656	45,184	44,468
1993	51,965	48,814	45,013	44,320
1994	53,606	50,407	46,417	43,156
1995	53,758	49,705	44,512	41,939
1996	53,947	48,997	44,559	43,381
1997	53,876	47,593	42,132	42,366

Table 12 Average incomes for 2+ families Quebec (current dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	49,758	43,746	42,637	39,674
1991	50,601	49,107	46,165	40,318
1992	50,791	47,879	42,707	42,030
1993	49,116	46,968	43,311	42,644
1994	51,681	48,597	44,750	41,606
1995	52,945	48,953	43,839	41,305
1996	53,947	48,997	44,559	43,381
1997	54,793	48,403	42,849	43,087

Table 13 Average incomes for 2+ families Ontario (constant 1996 dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	67,779	57,088	59,577	55,868
1991	66,962	54,579	54,851	52,607
1992	64,882	55,476	54,203	56,264
1993	63,408	54,854	53,488	55,603
1994	64,696	57,185	53,002	52,412
1995	64,739	56,979	53,090	54,799
1996	65,957	55,247	51,314	56,276
1997	65,443	53,876	52,413	57,926

Table 14 Average incomes for 2+ families Ontario (current dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	59,771	50,343	52,538	49,267
1991	62,342	50,813	51,066	48,977
1992	61,325	52,435	51,232	53,180
1993	61,011	52,780	51,466	53,501
1994	62,372	55,131	51,098	50,530
1995	63,760	56,117	52,287	53,970
1996	65,957	55,247	51,314	56,276
1997	66,556	54,793	53,305	58,912

Table 15 Average incomes for 2+ families Prairie Provinces (constant 1996 dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	58,917	53,994	54,738	47,358
1991	58,358	53,431	52,819	48,036
1992	58,489	53,521	53,565	46,658
1993	59,029	51,943	51,808	47,564
1994	57,562	54,198	50,994	46,767
1995	56,518	51,251	50,638	48,547
1996	58,231	56,963	51,541	47,190
1997	57,458	53,813	52,305	49,882

Table 16 Average incomes for 2+ families Prairie Provinces (current dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	51,956	47,615	48,271	41,763
1991	54,331	49,744	49,175	44,722
1992	55,283	50,587	50,629	44,100
1993	56,797	49,979	49,849	45,766
1994	55,495	52,251	49,162	45,087
1995	55,663	50,476	49,872	47,813
1996	58,231	56,963	51,541	47,190
1997	58,436	54,729	53,195	50,731

Table 17 Average incomes for 2+ families British Columbia (constant 1996 dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	65,666	53,780	55,053	54,485
1991	64,182	54,784	52,389	48,676
1992	62,554	56,938	54,073	56,307
1993	60,911	55,531	54,677	51,750
1994	61,146	55,122	55,281	56,822
1995	61,654	58,856	55,550	54,469
1996	62,383	52,214	57,586	52,975
1997	61,064	54,800	54,105	53,708

Table 18 Average incomes for 2+ families British Columbia (current dollars)				
Year	Size of area of residence			
	100,000 +	30,000 to 99,999	< 30,000	Rural
1990	57,908	47,426	48,549	48,048
1991	59,754	51,004	48,774	45,317
1992	59,125	53,817	51,109	53,220
1993	58,608	53,432	52,610	49,793
1994	58,950	53,142	53,295	54,781
1995	60,722	57,966	54,710	53,645
1996	62,383	52,214	57,586	52,975
1997	62,103	55,732	55,026	54,622

Table 19 Rural LICO levels by family size (constant 1996 dollars, before tax)				
Family size	Base year			
	1969	1978	1986	1992
1 person	8,545	10,677	10,925	11,835
2 persons	12,393	13,953	14,811	14,793
3 persons	15,816	18,685	18,825	18,399
4 persons	18,804	21,597	21,673	22,271
5 persons	21,024	25,115	23,680	24,896
6 persons	23,077	27,421	25,704	27,521
7 or more persons	25,302	30,211	27,646	30,146

Table 20 Rural LICO levels by family size (current dollars, before tax)				
Family size	Base year			
	1969	1978	1986	1992
1 person	1,890	4,400	8,065	11,186
2 persons	2,741	5,750	10,933	13,982
3 persons	3,498	7,700	13,896	17,390
4 persons	4,159	8,900	15,999	21,050
5 persons	4,650	10,350	17,480	23,531
6 persons	5,104	11,300	18,974	26,012
7 or more persons	5,596	12,450	20,408	28,493

Table 21 LICO levels (1992 base) by community and family size, 1998					
Family size	Size of area of residence				
	500,000+	100,000 to 499,999	30,000 to 99,999	< 30,000	Rural
1 person	17,571	15,070	14,965	13,924	12,142
2 persons	21,962	18,837	18,706	17,405	15,178
3 persons	27,315	23,429	23,264	21,647	18,877
4 persons	33,063	28,359	28,162	26,205	22,849
5 persons	36,958	31,707	31,481	29,293	25,542
6 persons	40,855	35,043	34,798	32,379	28,235
7 or more persons	44,751	38,385	38,117	35,467	30,928

Table 22 Incidence of Low Income Among Families, LICO					
Year	Size of area of residence				
	500,000+	100,000 to 499,999	30,000 to 99,999	< 30,000	Rural
1992	15.7	12.3	12.6	11.8	9.5
1993	18.3	12.3	13.0	11.6	9.5
1994	16.0	12.3	12.9	11.4	9.2
1995	17.2	12.6	13.4	11.1	9.7
1996	17.6	13.4	12.8	11.3	9.9
1997	16.7	12.5	13.7	11.8	9.6

Table 23 Incidence of Low Income Among Families, LIM					
Year	Size of area of residence				
	500,000+	100,000 to 499,999	30,000 to 99,999	< 30,000	Rural
1993	12.3	10.9	12.0	12.1	13.8
1994	11.5	11.8	12.3	12.5	14.7
1995	11.9	12.0	12.6	12.0	14.9
1996	12.4	12.4	12.2	12.3	14.6
1997	12.0	11.6	13.2	13.0	14.4

Table 24 Gini Coefficients				
Year	Size of area of residence			
	100,000+	30,000 to 99,999	< 30,000	Rural
1980	0.382	0.390	0.382	0.379
1981	0.377	0.369	0.374	0.370
1982	0.382	0.377	0.380	0.380
1983	0.393	0.403	0.384	0.383
1984	0.394	0.374	0.384	0.380
1985	0.395	0.380	0.376	0.365
1986	0.394	0.369	0.377	0.376
1987	0.398	0.375	0.376	0.361
1988	0.396	0.376	0.385	0.358
1989	0.392	0.374	0.375	0.354
1990	0.397	0.369	0.372	0.359
1991	0.406	0.371	0.380	0.359
1992	0.401	0.378	0.376	0.368
1993	0.406	0.386	0.379	0.364
1994	0.400	0.386	0.376	0.365
1995	0.404	0.402	0.372	0.369
1996	0.419	0.403	0.382	0.380
1997	0.426	0.403	0.391	0.385
1998	0.428	0.420	0.392	0.391